

# CALIFORNIA STATE BOARD OF EDUCATION

## JULY 2004 AGENDA

### SUBJECT

Approve Commencement of the Rulemaking Process for School Bus and School Pupil Activity Bus Lap/Shoulder Belt Regulation

- ☒ Action
- ☒ Information
- ☐ Public Hearing

### RECOMMENDATION

Approve the proposed regulation, the Initial Statement of Reasons, and Notice of Proposed Rulemaking, and direct staff to commence the rulemaking process.

### SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

*Education Code* sections 38047.5 and 38047.6 require the State Board of Education to adopt regulations for school bus and school pupil activity busses, respectively, on the proper use, maintenance and storage of lap/shoulder belts. This subject has not previously been a State Board of Education discussion or action item.

### SUMMARY OF KEY ISSUES

Title 5 *CCR*, Division 1, Chapter 13 contains regulations on the Use of School Buses and School Pupil Activity Buses. The proposed regulatory action adds Title 5 *CCR*, Section 14105 as required in *Education Code* sections 38047.5 and 38047.6.

The purpose of this regulation is to reduce injuries and fatalities in school buses on the streets, roads, and highways of California by requiring, in accordance with *Education Code* sections 38047.5 and 38047.6, all passengers to wear lap/shoulder safety belts meeting applicable Federal Motor Vehicle Safety Standards while riding in school buses.

The proposed regulation will establish the required instruction on the use of passenger restraint systems including, but not limited to, the proper fastening and release, acceptable placement on pupils, times at which the systems should be fastened and released, and acceptable placement of the systems when not in use. California *Vehicle Code* Section 27316 requires all Type 1 school buses manufactured on or after July 1, 2005 and all Type 2 school buses manufactured on or after July 1, 2004, which are purchased or leased for use in California to be equipped at all designated seating positions with a combination pelvic and upper torso passenger restraint system.

## **SUMMARY OF KEY ISSUES**

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The provisions do not apply to passengers with a physically disabling condition or medical condition which would prevent appropriate restraint in a passenger restraint system, if the condition is duly certified by a licensed physician or licensed chiropractor who shall state in writing the nature of the condition, as well as the reason the restraint is inappropriate.

The provisions do not apply in case of any emergency that may provide, where necessary, for the loading of schoolchildren on a school bus or school pupil activity bus in excess of the limits of its seating capacity.

## **FISCAL ANALYSIS (AS APPROPRIATE)**

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The Department's Fiscal Policy Office has reviewed the proposed regulation for fiscal and economic impact and finds that the actions required by the proposed regulation do not impose an additional fiscal impact on local educational agencies. See Attachment 4.

## **ATTACHMENT(S)**

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- [Attachment 1: Proposed Regulation \(2 Pages\)](#)
- [Attachment 2: Initial Statement of Reasons \(3 Pages\)](#)
- [Attachment 3: Notice of Proposed Rulemaking \(5 Pages\)](#)
- [Attachment 4: Fiscal Impact Statement \(6 Pages\)](#)

# **TITLE 5. Education**

## **Division 1. State Department of Education**

### **Chapter 13. School Facilities and Equipment**

#### **Subchapter 2. Use of School Buses and School Pupil Activity Buses**

##### **Article 1. General Provisions**

*Add Section 14105 to read:*

#### **§ 14105. School Bus and School Pupil Activity Bus (SPAB) Passenger Restraint System Use.**

All passengers in a school bus or in a school pupil activity bus that are equipped with passenger restraint systems in accordance with sections 27316 and 27316.5 of the Vehicle Code, shall use the passenger restraint system. All pupils described in subdivision (a) of Education Code Section 39831.5, shall be instructed in an age-appropriate manner in the use of passenger restraint systems required by Education Code Section 39831.5 (a) (3). The instruction shall include, but not be limited to, all of the following:

##### (a) Proper fastening and release of the passenger restraint system:

(1) Fastening: To fasten, insert the latch plate (the metal "tongue" attached to one side of the webbing) into the proper buckle (the receptacle that comes out from the "bight" in the back of the seat, a slot in the seat cushion, or from the side). The latch plate inserts into the buckle until you hear an audible snap sound and feel it latch. Make sure the latch plate is securely fastened in the buckle.

(2) Unfastening: To unfasten, push the buckle release button and remove the latch plate from the buckle. The buckle has a release mechanism that, when manually operated during "unbuckling", breaks the bond and separates the two sections.

(b) Acceptable placement of passenger restraint systems on pupils: Adjust the lap belt to fit low and tight across the hips/pelvis, not the stomach area. Place the shoulder belt snug across the chest, away from the neck. Never place the shoulder belt behind the back or under the arm. Position the shoulder belt height adjuster so that the belt rests across the middle of the shoulder. Failure to adjust the shoulder belt properly would reduce the effectiveness of the lap/shoulder belt system and increase the risk of injury in a collision.

1        (c) Times at which the passenger restraint systems should be fastened and  
2 released: Passenger restraint systems shall be used at all times the school bus or  
3 school pupil activity bus is in motion except when exempted in subdivisions (e) and (f) of  
4 this section.

5        (d) Acceptable placement of the passenger restraint systems when not in use: When  
6 not in use, passenger restraint systems shall be fully retracted into the retractors so that  
7 no loose webbing is visible, or stored in a safe manner per the school bus  
8 manufacturer's instructions.

9        (e) This section does not apply to a passenger with a physically disabling condition  
10 or medical condition which would prevent appropriate restraint in a passenger restraint  
11 system, providing that the condition is duly certified by a licensed physician or licensed  
12 chiropractor who shall state in writing the nature of the condition, as well as the reason  
13 the restraint is inappropriate.

14        (f) This section also does not apply in case of any emergency that may necessitate  
15 the loading of school children on a school bus in excess of the limits of its seating  
16 capacity. As used in this section, "emergency" means a natural disaster or hazard (as  
17 determined by the school district superintendent or their designee) that requires pupils  
18 to be moved immediately in order to ensure their safety.

19        NOTE: Authority cited: sections 33031, 38047.5, 38047.6, and 39831, Education  
20 Code. Reference: sections 38047.5, 38047.6, 39830, 39830.1, and 39831.5, Education  
21 Code; sections 27316 and 27316.5, Vehicle Code.

## Initial Statement of Reasons

### **TITLE 5 SECTION 14105. INSTRUCTION ON THE USE OF PASSENGER RESTRAINT SYSTEMS**

#### **SPECIFIC PURPOSE OF THE REGULATION.**

The proposed regulation will establish the required instruction, in accordance with *Education Code* sections 38047.5 and 38047.6, for pupils on the use of passenger restraint systems including, but not limited to, the proper fastening and release, acceptable placement on pupils, times at which the systems should be fastened and released, and acceptable placement of the systems when not in use.

#### **NECESSITY/RATIONALE.**

The purpose of this regulation is to reduce injuries and fatalities in school buses on the streets, roads, and highways of California by requiring, in accordance with *Education Code* sections 38047.5 and 38047.6, all passengers to wear lap/shoulder safety belts meeting applicable Federal Motor Vehicle Safety Standards while riding in school buses and certain school pupil activity buses.

California *Vehicle Code* Section 27316 requires all Type 1 school buses manufactured on or after July 1, 2005 and all Type 2 school buses manufactured on or after July 1, 2004, which are purchased or leased for use in California to be equipped at all designated seating positions with a combination pelvic and upper torso passenger restraint system. For purposes of this section, a "passenger restraint system" means any of the following:

"A restraint system that is in compliance with Federal Motor Vehicle Safety Standard 209, for a type 2 seatbelt assembly, and with Federal Motor Vehicle Safety Standard 210, as those standards were in effect on the date the school bus was manufactured.

A restraint system certified by the school bus manufacturer that is in compliance with Federal Motor Vehicle Safety Standard 222 and incorporates a type 2 lap/shoulder restraint system." (Vehicle Code Section 27316 [b])

California *Vehicle Code* Section 27316.5 requires all Type 2 school pupil activity buses manufactured on or after July 1, 2004 purchased or leased for use in California to be equipped at all designated seating positions with a combination pelvic and upper torso passenger restraint system. For purposes of this section, a "passenger restraint system" means any of the following:

"A restraint system that is in compliance with Federal Motor Vehicle Safety Standard 209, for a type 2 seatbelt assembly, and with Federal Motor Vehicle Safety Standard

210, as those standards were in effect on the date the school pupil activity bus was manufactured

A restraint system certified by the school pupil activity bus manufacturer that is in compliance with Federal Motor Vehicle Safety Standard 222 and incorporates a type 2 lap/shoulder restraint system.” (Vehicle Code Section 27316.5 [b])

Because lap/shoulder belts may not provide appropriate restraint for all passengers, the provisions of this proposed regulation do not apply to passengers with a physical disability or medical condition which would prevent appropriate restraint in a passenger restraint system, providing that the condition is duly certified by a licensed physician or licensed chiropractor who shall state in writing the nature of the condition, as well as the reason the restraint is inappropriate.

The provisions do not apply in case of any emergency that may provide, where necessary, for the loading of schoolchildren on a school bus in excess of the limits of its seating capacity, because there would not be enough available lap/shoulder belts.

Currently, *California Vehicle Code* Section 27316 requires the installation of lap/shoulder belts on specified school busses and school pupil activity busses. *Education Code* Section 39831.5 requires training on the use of lap/shoulder belts. This regulation would only clarify the nature of the required training and gives specific guidance on the instruction to be taught. Although an argument can be made that the proposed training will take additional time to conduct, the Department of Education maintains that school bus safety training is currently required and that the addition of a few paragraphs of information should not pose an undue fiscal burden on any business.

#### **TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDIES, REPORTS OR DOCUMENTS.**

The State Board of Education did not rely upon any technical, theoretical or empirical studies, reports or documents in proposing the adoption of this regulation.

#### **REASONABLE ALTERNATIVES TO THE REGULATION AND THE AGENCY’S REASONS FOR REJECTING THOSE ALTERNATIVES.**

No other alternatives were presented to or considered by the State Board of Education. The establishment of regulations that set forth the instructions for pupils on the use of passenger restraint systems including the proper fastening and release, acceptable placement, times fastened and released, and placement when not in use, onboard school buses and school pupil activity buses must be established in order to comply with *Education Code* sections 38047.5 and 38047.6.

#### **REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS.**

The State Board of Education has not identified any alternatives that would lessen any adverse impact on small business.

**EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT ADVERSE ECONOMIC  
IMPACT ON ANY BUSINESS.**

The proposed regulations would not have a significant adverse economic impact on any business because they relate only to local school districts and not to small business practices.

STATE OF CALIFORNIA  
Governor

ARNOLD SCHWARZENEGGER,

**CALIFORNIA STATE BOARD OF EDUCATION**

1430 N Street; Room 5111  
Sacramento, CA 95814



**TITLE 5. EDUCATION**

**CALIFORNIA STATE BOARD OF EDUCATION**

**NOTICE OF PROPOSED RULEMAKING**

**School Bus and School Pupil Activity Bus (SPAB) Passenger Restraint  
System Use**

[Notice published July 23, 2004]

The State Board of Education (State Board) proposes to adopt the regulations described below after considering all comments, objections, or recommendations regarding the proposed action.

**PUBLIC HEARING**

Program staff will hold a public hearing beginning at **1:00 p.m. on September 7, 2004**, at 1430 N Street, Room 2102, Sacramento. The room is wheelchair accessible. At the hearing, any person may present statements or arguments, orally or in writing, relevant to the proposed action described in the Informative Digest. The State Board requests that any person desiring to present statements or arguments orally notify the Regulations Coordinator of such intent. The Board requests, but does not require, that persons who make oral comments at the hearing also submit a summary of their statements. No oral statements will be accepted subsequent to this public hearing.

**WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Regulations Coordinator. The written comment period ends at **5:00 p.m. on September 7, 2004**.

The Board will consider only written comments received by the Regulations Coordinator or at the Board Office by that time (in addition to those comments received at the public hearing). Written comments for the State Board's consideration should be directed to:

Debra Strain, Regulations Adoption Coordinator  
California Department of Education  
LEGAL DIVISION  
1430 N Street, Room 5319  
Sacramento, California 95814



Email: [dstrain@cde.ca.gov](mailto:dstrain@cde.ca.gov)

Telephone: (916) 319-0860

FAX: (916) 319-0155

## **AUTHORITY AND REFERENCE**

Authority: Sections 33031, 38047.5, 38047.6 and 39831, Education Code.

Reference: Sections 38047.5, 38047.6, 39830, 39830.1 and 39831.5, Education Code; Sections 27316 and 27316.5, Vehicle Code.

## **INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

Title 5 *CCR*, Division 1, Chapter 13 contains the California Department of Education's regulations on the Use of School Buses and School Pupil Activity Buses. The proposed regulatory action adds 5 *CCR* 14105 as required in *Education Code* sections 38047.5 and 38047.6.

The purpose of this regulation is to reduce injuries and fatalities in school buses on the streets, roads, and highways of California by requiring, in accordance with *Education Code* sections 38047.5 and 38047.6, all passengers to wear lap/shoulder safety belts meeting applicable Federal Motor Vehicle Safety Standards while riding in school buses.

The proposed regulation will establish the required instruction for pupils on the use of passenger restraint systems including but not limited to the proper fastening and release, acceptable placement on pupils, times at which the systems should be fastened and released, and acceptable placement of the systems when not in use.

California *Vehicle Code* Section 27316 requires all Type 1 school buses manufactured on or after July 1, 2005 and all Type 2 school buses manufactured on or after July 1, 2004 which are purchased or leased for use in California to be equipped at all designated seating positions with a combination pelvic and upper torso passenger restraint system.

The provisions do not apply to passengers with a physically disabling condition or medical condition which would prevent appropriate restraint in a passenger restraint system, if the condition is duly certified by a licensed physician or licensed chiropractor who shall state in writing the nature of the condition, as well as the reason the restraint is inappropriate.

The provisions do not apply in case of any emergency that may provide, where necessary, for the loading of schoolchildren on a school bus or school pupil activity bus in excess of the limits of its seating capacity.

## **DISCLOSURES REGARDING THE PROPOSED ACTION**

Mandate on local agencies and school districts: None

Cost or savings to any state agency: None

Costs to any local agency or school district that must be reimbursed in accordance with Government Code Section 17561: None

Other non-discretionary cost or savings imposed on local educational agencies:  
None

Cost or savings in federal funding to the state: None

Significant, statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states:  
None

Cost impacts on a representative private person or businesses: The State Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Adoption of these regulations will not:

- (1) create or eliminate jobs within California;
- (2) create new businesses or eliminate existing businesses within California; or
- (3) affect the expansion of businesses currently doing business within California.

Significant effect on housing costs: None

Effect on small businesses: The proposed regulations will have no effect on small businesses because they only apply to local educational agencies.

### **CONSIDERATION OF ALTERNATIVES**

In accordance with Government Code Section 11346.5(a)(13), the State Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to the attention of the State Board, would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

The State Board invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations at the scheduled hearing or during the written comment period.

### **CONTACT PERSONS**

Inquiries concerning the substance of the proposed regulations should be directed to:

John Green, Consultant  
California Department of Education  
3500 Reed Avenue  
West Sacramento, CA 95605  
E-mail: [jgreen@cde.ca.gov](mailto:jgreen@cde.ca.gov)  
Sacramento, CA 95814  
Telephone: (916) 375-7100

Requests for a copy of the proposed text of the regulations, the Initial Statement of Reasons, the modified text of the regulations, if any, or other technical information

upon which the rulemaking is based or questions on the proposed administrative action may be directed to the Regulations Coordinator, or to the backup contact person, Najia Rosales, at (916) 319-0860.

### **AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS**

The Regulations Coordinator will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at her office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations, and the initial statement of reasons. A copy may be obtained by contacting the Regulations Coordinator at the above address.

### **AVAILABILITY OF CHANGED OR MODIFIED TEXT**

Following the public hearing and considering all timely and relevant comments received, the State Board may adopt the proposed regulations substantially as described in this notice. If the State Board makes modifications that are sufficiently related to the originally proposed text, the modified text (with changes clearly indicated) will be available to the public for at least 15 days before the State Board adopts the regulations as revised. Requests for copies of any modified regulations should be sent to the attention of the Regulations Coordinator at the address indicated above. The State Board will accept written comments on the modified regulations for 15 days after the date on which they are made available.

### **AVAILABILITY OF THE FINAL STATEMENT OF REASONS**

Upon its completion, a copy of the Final Statement of Reasons may be obtained by contacting the Regulations Coordinator at the above address.

### **AVAILABILITY OF DOCUMENTS ON THE INTERNET**

Copies of the Notice of Proposed Rulemaking, the Initial Statement of Reasons, the text of the regulations in underline and strikeout, and the Final Statement of Reasons, can be accessed through the California Department of Education's Website at <http://www.cde.ca.gov/re/lr>.

### **REASONABLE ACCOMMODATION FOR ANY INDIVIDUAL WITH A DISABILITY**

Pursuant to the *Rehabilitation Act of 1973*, the *Americans with Disabilities Act of 1990*, and the *Unruh Civil Rights Act*, any individual with a disability who requires reasonable accommodation to attend or participate in a public hearing on proposed regulations, may request assistance by contacting John Green, School Facilities Transportation Division, 3500 Reed Avenue, Sacramento, CA, 95605; telephone, (916) 375-7100; fax, (916) 327-3954. It is recommended that assistance be requested at least two weeks prior to the hearing.

**Economic and Fiscal Impact Analysis  
Proposed Amendment of Title 5, CCR, Regulations  
School Bus Passenger Restraint System – Seat Belts**

The Fiscal Policy Office has reviewed for economic and fiscal impact the proposed regulations (version 01/27/04) amending Section 14105, of Article 1, of Subchapter 2, of Chapter 13, of Division 1, of Title 5, California Code of Regulations, relating to School Bus Passenger Restraint System – Seat Belts.

**What would the proposed regulations do?**

The proposed amended regulations will establish the required instruction for pupils on the use of passenger restraint systems, including but not limited to the proper fastening and release, acceptable placement on pupils, times at which the systems should be fastened and released, and acceptable placement of the systems when not in use.

**Do the proposed regulations impose a local cost mandate?**

We have determined that the actions required by the proposed regulations are attributable to statute or initiative and that the regulations do not impose an additional fiscal impact on locals.

**SPECIAL NOTE:**

This Economic and Fiscal Impact Statement is made with the knowledge that an important and relevant claims are being challenged before the Commission on State Mandates in "School Bus Safety III," a test claim being heard before the Commission (CSM 03-TC-01). Specifically Section C – Costs Mandated by the State.

"The Statutes and Education Code Sections referenced in this test claim result in school districts incurring costs mandated by the state, as defined in Government Code Section 17514, by creating new state-mandated duties related to the uniquely governmental function of providing services and these statutes apply to school districts and do not apply generally to all residents and entities in the state.

The new duties mandated by the state upon school districts require state reimbursement of the direct and indirect costs of labor, material and supplies, data processing services and software, contracted services and consultants. Equipment and capital assets, staff and student training and travel to implement the following activities:

A) Pursuant to Education Code Section 39831.5 subdivision (a), All pupils in prekindergarten, kindergarten, and grades 1 to 12, inclusive, in public or private school that are transported in a school bus or school pupil activity bus shall receive instruction in school bus emergency procedures and passenger safety...

D) Pursuant to Education Code Section 39831.5 subdivision (3), prior to departure on a school activity trip, all pupils riding on a school bus or school pupil activity bus shall receive safety instruction which includes, but is not limited to, location of emergency exits, location and use of emergency equipment and instruction on the use of passenger restraint system." (School Bus Safety III, No. 03-TC-01, Notice of Complete Test Claim Filing and Schedule for Comments, page 11-12.)

**Do the proposed regulations impose costs upon the state?**

The proposed amendment to the regulations would not create a new program or higher level of service in an existing program.

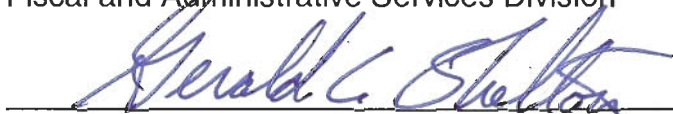
**Do the proposed regulations impact local business?**

The proposed amendment to the regulations should have no impact on local business.

This analysis reflects the attached Economic and Fiscal Impact Statement.

  
\_\_\_\_\_  
Donald E. Killmer, Consultant  
Fiscal and Administrative Services Division

03/25/04  
Date

  
\_\_\_\_\_  
Gerald C. Shelton, Director  
Fiscal and Administrative Services Division

3/25/04  
Date

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**Note:** The purpose of the Department's review of regulations for Economic or Fiscal Impact is in part to, determine prior to the Department's submission of the Notice of Proposed Rulemaking to the Office of Administrative Law (OAL), if the regulations impose a mandate upon the locals and if so if there is a cost or savings. Additionally, the review may make a determination of what the cost or savings "may" be and if there is precedence in the determination of the potential costs through previous claims reimbursable through the mandate process authorized in state statute and set forth by the CSM.

If the Department determines that a potential mandate and an additional cost exists, the Department is required to forward that information (via the STD. 399 and this analysis) to the Department of Finance (DOF) for their review. The review by DOF does not need to be completed prior to the Department's submission of the Notice of Proposed Rulemaking to OAL but must be completed prior to the closing of the "Rulemaking Record" and prior to OAL forwarding of the "Record" to the Secretary of State. The DOF review contains an approval or disapproval; typically regulations that impose or could potentially impose an additional cost upon the state are disapproved and the department is required to amend the regulation to eliminate the cost or pull the "Record".

**ECONOMIC AND FISCAL IMPACT STATEMENT**  
**(REGULATIONS AND ORDERS)**

STD. 399 (Rev. 2-98)

See SAM Sections 6600 - 6680 for Instructions and Code Citations

DEPARTMENT NAME

Education

CONTACT PERSON

Don Killmer

TELEPHONE NUMBER

323-2591

DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400

School Bus Passenger Restraint System – Seat Belts (version 01/27/04)

NOTICE FILE NUMBER

Z

**ECONOMIC IMPACT STATEMENT****A. ESTIMATED PRIVATE SECTOR COST IMPACTS** *(Include calculations and assumptions in the rulemaking record.)*

1. Check the appropriate box(es) below to indicate whether this regulation:

☐

a. Impacts businesses and/or employees

☐

e. Imposes reporting requirements

☐

b. Impacts small businesses

☐

f. Imposes prescriptive instead of performance

☐

c. Impacts jobs or occupations

☐

g. Impacts individuals

☐

d. Impacts California competitiveness

☐h. None of the above *(Explain below. Complete Fiscal Impact Statement as appropriate.)*

h. (cont.) \_\_\_\_\_

*(If any box in Items 1 a through g is checked, complete this Economic Impact Statement.)*2. Enter the total number of businesses impacted: \_\_\_\_\_ Describe the types of businesses *(Include nonprofits)*: \_\_\_\_\_

Enter the number or percentage of total businesses impacted that are small businesses: \_\_\_\_\_

3. Enter the number of businesses that will be created: \_\_\_\_\_ eliminated: \_\_\_\_\_

Explain: \_\_\_\_\_

4. Indicate the geographic extent of impacts: ☐ Statewide ☐ Local or regional *(list areas)*: \_\_\_\_\_

5. Enter the number of jobs created: \_\_\_\_\_ or eliminated: \_\_\_\_\_ Describe the types of jobs or occupations impacted: \_\_\_\_\_

6. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods?

☐ Yes☐ No

If yes, explain briefly: \_\_\_\_\_

**B. ESTIMATED COSTS** *(Include calculations and assumptions in the rulemaking record.)*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$

a. Initial costs for a small business: \$ \_\_\_\_\_

Annual ongoing costs: \$ \_\_\_\_\_

Years: \_\_\_\_\_

b. Initial costs for a typical business: \$ \_\_\_\_\_

Annual ongoing costs: \$ \_\_\_\_\_

Years: \_\_\_\_\_

c. Initial costs for an individual: \$ \_\_\_\_\_

Annual ongoing costs: \$ \_\_\_\_\_

Years: \_\_\_\_\_

d. Describe other economic costs that may occur: \_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT *cont.* (STD. 399, Rev. 2-98)**

2. If multiple industries are impacted, enter the share of total costs for each industry: \_\_\_\_\_  
\_\_\_\_\_
3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. \_\_\_\_\_  
*costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted.):* \$ \_\_\_\_\_
4. Will this regulation directly impact housing costs? ☐ Yes ☐ No If yes, enter the annual dollar cost per housing unit: \$ \_\_\_\_\_  
number of units: \_\_\_\_\_
5. Are there comparable Federal regulations? ☐ Yes ☐ No Explain the need for State regulation given the existence or absence  
regulations: \_\_\_\_\_
- Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ 0.00

**C. ESTIMATED BENEFITS** *(Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.)*

1. Briefly summarize the benefits that may result from this regulation and who will benefit: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Are the benefits the result of: ☐ specific statutory requirements, or ☐ goals developed by the agency based on broad statutory authority  
Explain: \_\_\_\_\_
3. What are the total statewide benefits from this regulation over its lifetime? \$ \_\_\_\_\_

**D. ALTERNATIVES TO THE REGULATION** *(Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.)*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:
- |                |                   |                |
|----------------|-------------------|----------------|
| Regulation:    | Benefit: \$ _____ | Cost: \$ _____ |
| Alternative 1: | Benefit: \$ _____ | Cost: \$ _____ |
| Alternative 2: | Benefit: \$ _____ | Cost: \$ _____ |

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives  
\_\_\_\_\_  
\_\_\_\_\_
4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technology, equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? ☐ Yes  
Explain: \_\_\_\_\_

**E. MAJOR REGULATIONS** *(Include calculations and assumptions in the rulemaking record.)*  
*Cal/EPA boards, offices and departments are subject to the following additional requirements per Health and Safety Code section 57005.*

# ECONOMIC AND FISCAL IMPACT STATEMENT *cont. (STD. 399, Rev. 2-98)*

1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million ? ☐ Yes ☐ No *(If No, skip the rest of this section)*
2. Briefly describe each equally as effective alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:  
 Alternative 1: \_\_\_\_\_  
 Alternative 2: \_\_\_\_\_
3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:  

Regulation:	\$ _____	Cost-effectiveness ratio: _____
Alternative 1:	\$ _____	Cost-effectiveness ratio: _____
Alternative 2:	\$ _____	Cost-effectiveness ratio: _____

## FISCAL IMPACT STATEMENT

### A. FISCAL EFFECT ON LOCAL GOVERNMENT *(Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years)*

- ☐ 1. Additional expenditures of approximately \$ \_\_\_\_\_ in the current State Fiscal Year which are reimbursable by the State pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code. Funding for this reimbursement:
  - ☐ a. is provided in (Item \_\_\_\_\_, Budget Act of \_\_\_\_\_) or (Chapter \_\_\_\_\_, Statutes of \_\_\_\_\_)
  - ☐ b. will be requested in the \_\_\_\_\_ Governor's Budget for appropriation in Budget Act of \_\_\_\_\_  

(FISCAL YEAR)
- ☐ 2. Additional expenditures of approximately \$ \_\_\_\_\_ in the current State Fiscal Year which are not reimbursable by the State pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code because this regulation:
  - ☐ a. implements the Federal mandate contained in \_\_\_\_\_
  - ☐ b. implements the court mandate set forth by the \_\_\_\_\_  
 court in the case of \_\_\_\_\_ vs. \_\_\_\_\_
  - ☐ c. implements a mandate of the people of this State expressed in their approval of Proposition No. \_\_\_\_\_ at the \_\_\_\_\_  
 election; (DATE)
  - ☐ d. is issued only in response to a specific request from the \_\_\_\_\_  
 \_\_\_\_\_, which is/are the only local entity(s) affected
  - ☐ e. will be fully financed from the \_\_\_\_\_ authorized by S \_\_\_\_\_  

(FEES, REVENUE, ETC.)

 \_\_\_\_\_ of the \_\_\_\_\_
  - ☐ f. provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each such unit.
- ☐ 3. Savings of approximately \$ \_\_\_\_\_ annually.
- ☒ 4. No additional costs or savings because this regulation makes only technical, non-substantive or clarifying changes to current law and regulations.

**\*\*\* See Attached Analysis \*\*\***



# ECONOMIC AND FISCAL IMPACT STATEMENT *cont. (STD. 399, Rev. 2-98)*

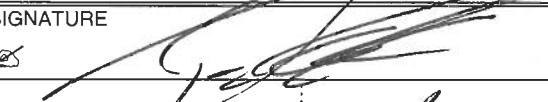
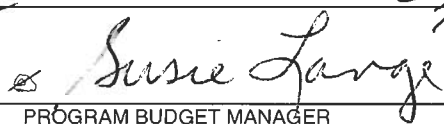
- ☐ 5. No fiscal impact exists because this regulation does not affect any local entity or program.
- ☐ 6. Other.

## B. FISCAL EFFECT ON STATE GOVERNMENT *(Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)*

- ☐ 1. Additional expenditures of approximately \$ \_\_\_\_\_ in the current State Fiscal Year. It is anticipated that State agencies will:
- ☐ a. be able to absorb these additional costs within their existing budgets and resources.
- ☐ b. request an increase in the currently authorized budget level for the \_\_\_\_\_ fiscal year.
- ☐ 2. Savings of approximately \$ \_\_\_\_\_ in the current State Fiscal Year.
- ☒ 3. No fiscal impact exists because this regulation does not affect any State agency or program.
- ☐ 4. Other.

## C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS *(Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)*

- ☐ 1. Additional expenditures of approximately \$ \_\_\_\_\_ in the current State Fiscal Year.
- ☐ 2. Savings of approximately \$ \_\_\_\_\_ in the current State Fiscal Year.
- ☒ 3. No fiscal impact exists because this regulation does not affect any federally funded State agency or program.
- ☐ 4. Other.

SIGNATURE 	TITLE Ed. Fiscal Services Consultant
AGENCY SECRETARY <sup>1</sup> 	DATE 03/25/04
APPROVAL/CONCURRENCE DEPARTMENT OF FINANCE <sup>2</sup> APPROVAL/CONCURRENCE	Deputy Superintendent PROGRAM BUDGET MANAGER DATE 3/25/04

1. The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6600-6680, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.
2. Finance approval and signature is required when SAM sections 6600-6670 require completion of the Fiscal Impact Statement in the STD. 399.